

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

BYBROOK CAPITAL MASTER FUND LP, AND
BYBROOK CAPITAL HAZELTON MASTER
FUND LP,

Plaintiffs,

v.

THE REPUBLIC OF ARGENTINA,

Defendant.

CIVIL ACTION NO.

COMPLAINT

Plaintiffs Bybrook Capital Master Fund LP (“Bybrook”) and Bybrook Capital Hazelton Master Fund LP (“Hazelton” or collectively, “Plaintiffs”), by their undersigned counsel, as and for their Complaint against Defendant Republic of Argentina (“Argentina”), allege as follows:

NATURE OF THE ACTION

1. This is a breach of contract action arising from Argentina’s failure to make contractually-mandated principal and interest payments on certain bonds held by Plaintiffs and issued by Argentina pursuant to a Fiscal Agency Agreement, dated October 19, 1994 (the “FAA”) between Argentina and Bankers Trust Company, as Fiscal Agent. For their relief, Plaintiffs seek payment of the principal amount of the bonds together with all accrued and unpaid interest and interest on such interest as provided for in the FAA. A true and accurate copy of the FAA is attached as **Exhibit A**.

THE PARTIES

2. Plaintiff Bybrook is a Cayman Islands limited partnership.

3. Plaintiff Hazelton is a Cayman Islands limited partnership.

4. Defendant Republic of Argentina is a Foreign State as defined in 28 U.S.C. § 1603.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1330(a), as Argentina is a Foreign State which has explicitly and unconditionally waived sovereign immunity with respect to actions arising out of the FAA by holders of bonds issued thereunder and is, therefore, not entitled to immunity under 28 U.S.C. §§ 1605-07 or under any applicable international agreement.

6. In addition, Argentina consented in the FAA to submit to the jurisdiction of the Court in respect to actions arising out of the FAA or bonds issued thereunder. Pursuant to Section 22 of the FAA, Argentina appointed Banco de la Nacion Argentina, 299 Park Avenue, New York, New York, 10171, as its authorized agent for service of process. Paragraph 23 of the FAA provides that the FAA shall be “governed by, and interpreted in accordance with, the laws of the State of New York.”

7. Additionally, this Court has personal jurisdiction over Argentina because Argentina regularly conducts business in New York.

8. Venue is proper in this district by agreement of the parties and pursuant to 28 U.S.C. § 1391(f).

FACTUAL ALLEGATIONS

Bybrook’s FAA Bonds

9. Bybrook is the beneficial owner of \$105,000 principal amount of bonds issued pursuant to the FAA by Argentina, ISIN US040114AV28 (the “US040114AV28

Bonds”).¹ The US040114AV28 Bonds have a coupon rate of 9.75% and mature on September 19, 2027, but are presently due and payable. A record of Bybrook’s holdings of US040114AV28 Bonds listed above is attached as Exhibit B at p. 2.

Hazelton’s FAA Bonds

10. Hazelton is the beneficial owner of \$105,000 principal amount of bonds issued pursuant to the FAA by Argentina, US040114AV28 Bonds. The US040114AV28 Bonds have a coupon rate of 9.75% and mature on September 19, 2027, but are presently due and payable. A record of Hazelton’s holdings of US040114AV28 Bonds listed above is attached as Exhibit B at p. 1.

Argentina’s Default Under the FAA

11. Pursuant to Section 12 of the FAA, the following, inter alia, are defined as “Events of Default”:

(a) Non-Payment: The Republic fails to pay any principal of any of the Securities of such Series when due and payable or fails to pay any interest on any of the Securities of such Series when due and payable and such failure continues of a period of 30 days; or

* * *

(d) Moratorium: a moratorium on the payment of principal of, or interest on, the Public External Indebtedness of the Republic shall be declared by the Republic.

¹ On or about March 30, 2015, Bybrook and Hazelton filed an action against Argentina based upon Argentina’s failure to pay principal and interest on US040114AV28 Bonds, captioned *Bybrook Capital Master Fund LP et al. v. The Republic of Argentina*, Civil No. 15-2369-LAP (“*Bybrook I*”). On or about February 16, 2016, Bybrook and Hazelton filed an action against Argentina based upon the Argentina’s failure to pay principal and interest on US040114AV28 Bonds, captioned *Bybrook Capital Master Fund LP et al. v. The Republic of Argentina*, Civil No. 16-1192-LAP (“*Bybrook II*”). The face amount claimed herein represents US040114AV28 Bonds purchased by each of Bybrook and Hazelton since the filing of *Bybrook I* and *Bybrook II* and the amounts claimed here are not included in *Bybrook I* and *Bybrook II*. The account statement attached hereto as Exhibit B shows the aggregate position held by Bybrook and Hazelton of US040114AV28 Bonds.

12. Section 12 of the FAA further provides that following either of the foregoing Events of Default, a noteholder, i.e., Plaintiffs, may give Argentina written notice and declare “the principal amount of such Securities held by it to be due and payable immediately,” together with all accrued interest.

13. In or about December 2001, Argentina declared a moratorium on the payment of principal and interest with respect to all of its foreign debt, including all payments due on bonds issued pursuant to the FAA.

14. Since then, Argentina has failed to make payments due on the US040114AV28 Bonds held by Bybrook and Hazelton.

FIRST CLAIM FOR RELIEF

(For Breach of Contract on the US040114AV28 Bonds)

15. Plaintiffs repeat and reallege the allegations set forth in paragraphs 1 through 14 herein.

16. The US040114AV28 Bonds are a Series of Securities under the terms of the FAA.

17. Pursuant to Sections 12(a) and (d) of the FAA, the declaration of a moratorium and the nonpayment of interest constitute Events of Default on the US040114AV28 Bonds entitling Plaintiffs to declare the principal amount of the US040114AV28 Bonds it holds, together with any accrued and unpaid interest and interest on such interest, to be due and payable immediately.

18. On or about March 3, 2021, Plaintiffs advised Argentina, by written notice to Argentina’s Fiscal Agent, that it was declaring the entire principal amount of the US040114AV28 Bonds held by Plaintiffs, together with any accrued and unpaid interest, to be immediately due and payable pursuant to Section 12 of the FAA.

19. Despite the notice, Argentina has failed to make any payments of principal or interest on the US040114AV28 Bonds to Plaintiffs.

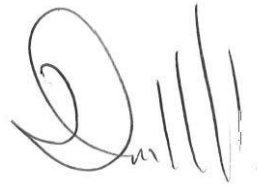
20. By reason of the foregoing, Argentina has breached its contractual obligations to Plaintiffs, and Argentina is liable to Plaintiffs for damages in amount to be determined at trial, plus interest.

WHEREFORE, Plaintiffs Bybrook Capital Master Fund LP and Bybrook Capital Hazelton Master Fund LP demand judgment against the Republic of Argentina, as follows:

- i. On Count One, awarding a money judgment in favor of each Plaintiff, together with all accrued and unpaid interest, interest on such unpaid interest and all other amounts that are payable under the terms of the FAA and any and all amounts that become due between now and entry of judgment in this action.
- ii. Awarding Plaintiffs their costs, attorneys' fees and such other and further relief as this Court shall deem just and proper.

Dated: March 10, 2021
New York, New York

QUINN EMANUEL URQUHART &
SULLIVAN, LLP

A handwritten signature in dark ink, appearing to read "Dennis Hranitzky", with a large, stylized "Q" and several vertical strokes.

Dennis Hranitzky
dennishranitzky@quinnemanuel.com
Debra O’Gorman
debraogorman@quinnemanuel.com
51 Madison Avenue
New York, NY 10010
Tel: (212) 849-7000
Attorneys for Plaintiffs